

districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Passed by the House on May 15, 2015: Yeas 139, Nays 0, 2 present, not voting; passed by the Senate on May 27, 2015: Yeas 30, Nays 1.

Filed without signature June 18, 2015.

Effective June 18, 2015.

HAYS COUNTY DEVELOPMENT DISTRICT NO. 1

CHAPTER 886

H.B. No. 4184

AN ACT

relating to the Hays County Development District No. 1.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 1, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Subsections (a) and (c) and adding Subsections (d) and (e) to read as follows:

(a) The legislature finds that the creation of Hays County Development District No. 1 (the "district"), ~~and~~ the project approved by the Hays County Commissioners Court on January 11, 2000 (the "project"), *and other projects described by Section 5A* will serve the public purpose of attracting visitors and tourists to Hays County and will result in employment and economic activity in the manner contemplated by Section 52-a, Article III, Texas Constitution, and Chapter 383, Local Government Code.

(c) The legislature further finds that the creation *and operation* of the district and the acquisition or financing of the project *or another project described by Section 5A* by the district serve the purpose of Section 59, Article XVI, and Section 52, Article III, Texas Constitution, and that all steps necessary to create the district have been taken.

(d) *The legislature further finds that the creation and continued operation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this Act.*

(e) *A legislative finding made under this Act is conclusive and the district is not required to offer proof of the purpose or results before exercising a power granted by this Act.*

SECTION 2. Section 5, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 5. POWERS. (a) The district has all of the rights, powers, privileges, authority, functions, and duties provided by Chapters 375 and 383, Local Government Code, to county development districts and municipal management districts, *and by Chapters 49 and 54, Water Code, to municipal utility districts.*

(b) *The district's rights, powers, privileges, authority, functions, and duties include, [including] but are not limited to:*

(1) the authority to levy, assess, and collect ad valorem taxes for the purposes ap-

proved at the elections conducted on November 7, 2000, or at an election conducted in the district after that date;

(2) the authority, after approval by voters at an election conducted within the boundaries of the district, to levy, assess and collect taxes for maintenance and operating purposes in the manner set forth in Sections 49.107(a)–(e), Water Code, and for the repayment of bonds, notes, warrants, lease purchase agreements, certificates of assessment, certificates of participation in lease purchase agreements, and other interest-bearing obligations in the manner set forth in Sections 49.106(a)–(d), Water Code, and for all of the purposes for which the district may expend funds;

(3) to establish, levy, and collect special assessments in the manner specified in Sections 375.111–375.124, Local Government Code; provided, however, that Sections 375.161–375.163, Local Government Code, shall not apply to the assessments imposed by the district;

(4) to utilize funds, whether the funds are derived from ad valorem taxes, sales and use taxes, hotel occupancy taxes, *assessments*, revenues from the project, or any other source, for payment of projects or services in the manner authorized by Section 375.181, Local Government Code, ~~and~~ Chapter 383, Local Government Code, *and Chapter 54, Water Code*;

(5) to enter into obligations, including, but not limited to, lease purchase agreements, certificates of participation in lease purchase agreements, general obligation bonds and notes and revenue bonds and notes, and combination general obligation and revenue bonds and notes and other interest-bearing obligations, in the manner specified in Sections 375.201–375.205 ~~[375.201–375.204]~~, Local Government Code. To enter into these obligations, the district shall obtain only those approvals required for the issuance of obligations by Hays County by Chapter 53, Acts of the 70th Legislature, Second Called Session, 1987;

(6) to adopt *and exercise* the *rights, powers, and authority* of a road district under Section 52(b)(3), Article III, Texas Constitution, in the manner specified in Sections 53.029(c) and (d), Water Code;

(7) to levy, assess, and collect ad valorem taxes to make payments on a contract under Sections 49.108(a)–(d), Water Code, after obtaining those approvals specified in Section 1, Chapter 778, Acts of the 74th Legislature, Regular Session, 1995;

(8) to exercise all of the rights, powers, and authority of a ~~[road district, a municipal management district, and a]~~ water control and improvement district which are not specifically contradicted by Chapter 383, Local Government Code; and

(9) to exercise all of the rights, powers, and authority granted to the district by this Act, and all of the rights, powers, and authority granted to the district by Chapters 383 and 375, Local Government Code, *and to a municipal utility district by Chapters 49 and 54, Water Code*, which are not contrary to ~~[any provisions of]~~ this Act, to finance, construct, or otherwise acquire the project, ~~[or]~~ any element of the project, *or another project described by Section 5A [identified in the Commissioners Court Order Upon Hearing and Granting Petition Requesting the Creation of Hays County Development District No. 1 and Appointing Temporary Directors dated January 11, 2000]*, including, but not limited to, a ~~[the]~~ hotel, a ~~[the]~~ golf course, ~~[the]~~ water, sewer, drainage, and road improvements, ~~[the]~~ organizational costs, and ~~[the]~~ costs of issuance of the obligations of the district.

SECTION 3. Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Sections 5A, 5B, and 5C to read as follows:

Sec. 5A. DISTRICT PROJECTS. (a) The district may provide, or it may contract with a governmental or private entity to provide, the following types of projects or activities in support of or incidental to those projects:

(1) the project approved by the Hays County Commissioners Court on January 11, 2000, wholly or partly;

(2) an improvement project that is a public improvement, facility, or service that may

be provided by the district under the powers granted to the district of a county development district, municipal management district, municipal utility district, or water control and improvement district, including a water, wastewater, reclamation, drainage, road, trail, or bridge improvement; or

(3) a project, other than the project or an improvement project described by Subdivision (2), that is approved by the board and that the district is authorized to provide under the powers granted to the district by this Act.

(b) A project, improvement, facility, or service described by Subsection (a)(2) or (3) is not required to have been considered for or included in an order issued by the Hays County Commissioners Court on January 11, 2000.

Sec. 5B. ROAD STANDARDS AND REQUIREMENTS. *(a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.*

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 5C. LIMIT ON EMINENT DOMAIN POWER. *The district may not exercise the power of eminent domain outside the district and in the corporate limits or extraterritorial jurisdiction of a municipality unless the governing body of the municipality consents by ordinance or resolution.*

SECTION 4. Section 7, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Subsection (f) to read as follows:

(f) Section 375.070, Local Government Code, does not apply to the district. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code, except that:

(1) a director is entitled to receive fees of office of not more than \$200 a day for each day the director actually spends performing the duties of a director; and

(2) the district may not set the annual limit on the fees of office that a director may receive at an amount greater than \$8,200.

SECTION 5. Section 8, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 8. LEGISLATIVE FINDINGS. ~~[The legislature finds that the principal function of the district is to provide for development and operation of the project, to facilitate economic development, and to attract visitors and tourists, which will result in employment and economic activity in Hays County.]~~ The legislature finds that the district may provide water and sewer, landscaping, road, drainage, and reclamation services to residential retail or commercial customers in the district. The district is a district described in Section 49.181(h)(4), Water Code.

SECTION 6. Section 9, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 9. ADDITION AND EXCLUSION OF LANDS. *(a) Except as provided by Subsection (b), in [in] addition to the authority granted to the district by Section 383.084, Local Government Code, the district may add lands in the manner provided by Section 49.301, Water Code, and may exclude lands in the methods provided by Sections 49.303 through 49.308, Water Code.*

(b) Section 42.0425, Local Government Code, applies to the annexation of land in the extraterritorial jurisdiction or corporate boundaries of a municipality.

(c) Land added or annexed under this section is not required to be contiguous to the district's territory.

SECTION 7. This Act does not affect an agreement between the district and a municipality in whose corporate limits or extraterritorial jurisdiction the district is located that was entered into before the effective date of this Act. This section does not affect the authority of the district and municipality to amend such an agreement.

SECTION 8. (a) The legislature confirms and validates all actions of the Hays County Development District No. 1 that were taken before the effective date of this Act, including any elections conducted by the district, including any election to impose maintenance and operation taxes or to adopt the powers of a road district.

(b) The Hays County Development District No. 1 is not required to repeat an election described by Subsection (a) of this section.

SECTION 9. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(c) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 10. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Passed by the House on May 15, 2015: Yeas 139, Nays 0, 2 present, not voting; passed by the Senate on May 27, 2015: Yeas 30, Nays 1.

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**POWERS AND DUTIES OF THE HEADWATERS MUNICIPAL
UTILITY DISTRICT; PROVIDING AUTHORITY TO ISSUE
BONDS AND IMPOSE TAXES**

CHAPTER 887

H.B. No. 4185

AN ACT

**relating to the powers and duties of the Headwaters Municipal Utility District;
providing authority to issue bonds and impose taxes.**

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7951 to read as follows:

CHAPTER 7951. HEADWATERS MUNICIPAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7951.001. DEFINITION. In this chapter, "district" means the Headwaters Municipal Utility District.

Sec. 7951.002. NATURE AND PURPOSES OF DISTRICT. (a) The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.